

FISCAL NOTE

HB 472 - SB 535

March 14, 1997

SUMMARY OF BILL: Authorizes the Commissioner of Health to issue a cease and desist order against any residential home for the aged operating without a license. The owner may first request an informal hearing and then a formal administrative hearing. Violation of a cease and desist order is a Class B misdemeanor.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures -	\$36,000 Recurring
	\$ 3,000 One-Time
Increase Local Govt Expenditures -	Not Significant
Increase Local Govt Revenue -	Not Significant

Cost estimate includes one staff person and related expenses including costs associated with holding formal hearings. Assumes there will be approximately 30 cease and desist orders issued per year involving unlicensed homes for the aged; approximately 22 informal hearings and approximately 8 formal hearings.

Impact depends upon the number of persons convicted of this offense and the resulting increased cost to local governments to confine such persons versus the increased revenues to local governments from fines levied and collected under the provisions of this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



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James A. Davenport, Executive Director